

§§ 363.44–363.49

31 CFR Ch. II (7–1–04 Edition)

the following endorsement on the security or the form:

Absence of signature by owner and validity of transaction guaranteed, Second State Bank of Jonesville, Jonesville, NC, by B. R. Butler, Vice President, dated 11/1/2001.

(2) The endorsement must be dated and the seal of the institution must be added.

(3) This form of endorsement is an unconditional guarantee to us that the institution is acting for the signer under proper authorization.

(f) *Persons who cannot act as certifying individuals.* Any person having an interest in a security involved in the transaction cannot act as a certifying individual. However, an authorized officer or employee of a depository financial institution that is a member of a Treasury-recognized signature guarantee program can act as a certifying individual for transfer of a security to the institution or on behalf of the institution.

§§ 363.44–363.49 [Reserved]

Subpart C—Book-Entry Savings Bonds Purchased Through New Treasury Direct

GENERAL

§ 363.50 What Treasury securities does this subpart cover?

This subpart covers Series EE and I book-entry savings bonds. The offering of Series EE savings bonds is contained in 31 CFR part 351. The offering of Series I savings bonds is contained in 31 CFR part 359.

[68 FR 24807, May 8, 2002]

§ 363.51 Who may purchase and hold a book-entry savings bonds?

(a) A New Treasury Direct account holder may purchase and hold bonds through his or her account.

(b) We do not permit a legally incompetent person to purchase savings bonds once we have been provided with an acceptable court order determining incompetency.

(c) We do not permit a legal representative or a legal guardian to purchase savings bonds on behalf of the es-

tate of a decedent or an incompetent person.

[67 FR 64286, Oct. 17, 2002, as amended at 69 FR 2508, Jan. 16, 2004]

§ 363.52 What amount of book-entry Series EE and I savings bonds may I purchase in one year?

(a) *Purchase limitation.* The amount of bonds that you may purchase in any calendar year is limited to \$30,000 for Series EE savings bonds, and \$30,000 for Series I savings bonds.

(b) *Computation of amount for gifts.* Bonds purchased or transferred as gifts will be included in the computation of the purchase limitation for the account of the recipient for the year in which the bonds are delivered to the recipient.

[67 FR 64286, Oct. 17, 2002, as amended at 68 FR 24807, May 8, 2003]

§ 363.53 What is the minimum amount of book-entry savings bonds that I may purchase in any transaction?

Each bond purchase must be in a minimum amount of \$25, with additional one-cent increments above that amount, in any one transaction. For example, a purchase may be \$25.00, \$25.01, \$25.02, or \$25.03, and so forth.

§ 363.54 What is the minimum amount of a book-entry savings bonds that I must hold in my account?

Each bond held in your account must have a redemption value of at least \$25. If you request a transaction that would reduce the remaining redemption value of the bond to an amount less than \$25, we will not permit the transaction to occur.

§ 363.55 May I transfer my book-entry savings bonds to another person?

(a) You may transfer a bond or a portion of a bond to the New Treasury Direct account of another individual as a gift, or in response to a final judgment, court order, a divorce decree, or property settlement agreement. You must certify online that the transfer is a gift or a specified exception.

(b) We do not permit the transfer of savings bonds for consideration, unless it is an exception specified in paragraph (a) of this section.

(c) The bond will be transferred in the single owner form of registration.

(d) We reserve the right to limit the transferability of savings bonds at any time by amendment to these regulations.

[67 FR 64286, Oct. 17, 2002, as amended at 68 FR 24807, May 8, 2003]

§ 363.56 What is the minimum amount of book-entry savings bonds that I may transfer in any one transaction?

Each transfer must be in a minimum amount of \$25 redemption value, with additional one-cent increments above that amount, in any one transaction. For example, you may transfer \$25.00, \$25.01, \$25.02, or \$25.03, and so forth. Transfers will be comprised of principal and proportionate interest.

§ 363.57 What is the minimum amount of book-entry savings bonds that I may redeem in any one transaction?

Each redemption must be in a minimum amount of \$25 redemption value, with additional one-cent increments above that amount, in any one transaction. For example, you may redeem \$25.00, \$25.01, \$25.02, or \$25.03, and so forth. Redemptions will be comprised of principal and proportionate interest.

§ 363.58 May book-entry savings bonds be pledged or used as collateral?

Bonds may not be pledged or used as collateral for the performance of an obligation.

§§ 363.59–363.64 [Reserved]

REGISTRATION

§ 363.65 What do I need to know about the registration of book-entry savings bonds?

(a) Registration must express the actual ownership of, and interest in, the bond. Registration conclusively establishes ownership of a bond.

(b) You must provide a last name and a first name for each individual included in the registration.

(c) You must provide the valid social security number of the owner of the bond.

§ 363.66 What forms of registration are available for book-entry savings bonds?

The forms of registration available are single owner, owner with beneficiary, and primary owner with secondary owner.

[69 FR 2508, Jan. 16, 2004]

§ 363.67 What do I need to know about the single owner form of registration?

(a) An individual is the single owner of the bond.

(b) A single owner may add a beneficiary or secondary owner.

(c) A single owner may conduct online transactions on bonds held in his or her account.

(d) Upon the death of the single owner, his or her estate is entitled to the bond. In determining entitlement, the law of the decedent's domicile will be followed.

(e) Registration example: "John Doe, SSN 123-45-6789."

§ 363.68 What do I need to know about the owner with beneficiary form of registration?

(a) The purchaser must be named as the owner with another individual as beneficiary.

(b) The owner may remove or change the beneficiary without the consent of the beneficiary.

(c) The owner may conduct online transactions on bonds held in his or her account without the consent of the beneficiary.

(d) The beneficiary has no ownership rights to the bond during the owner's lifetime. Upon the death of the owner, the beneficiary is the absolute owner of the bond, despite any attempted testamentary disposition by the owner or any state law to the contrary.

(e) If the beneficiary does not survive the owner, the bond belongs to the estate of the owner.

(f) If both the owner and the beneficiary die under conditions where it cannot be established, either by presumption of law or otherwise, which one died first, the bond is the property of the estate of the owner.

(g) In order for the beneficiary to obtain the bond or the bond proceeds